



# BANK LIQUIDITY MANAGEMENT »»

## Managing Liquidity Adequacy and Reporting Requirements through SAP Solutions

UK banks and building societies face tough new regulations on liquidity management. Atos Origin, working with SAP and specialist third-party partners, has developed a management information and regulatory reporting solution, pulling key data from source systems to power firms' Individual Liquidity Assessments and to produce automated, production quality reports for the FSA.

Banks need to pay particular attention to the management information required for Individual Liquidity Assessments. Atos Origin has strong experience in guiding clients on data quality and production system implementation.

**ATOS ORIGIN'S SYSTEMS INTEGRATION SPECIALISTS  
OFFER THE SKILLS AND EXPERIENCE USING SAP TOOLS  
TO PRODUCE REAL VALUE FOR CLIENTS**

# FIRMS MUST ACT NOW; URGENT SOLUTION ENGINEERING IS REQUIRED

## THE ISSUE

The FSA recently issued a second set of draft rules for banks, building societies and investment firms on the management and reporting of liquid assets. In the two sets of rules, the FSA has set out much more prescriptive regulation than exists today. The new rules will come into force quickly; the FSA expects to:

- » Finalise these drafts by Q3 2009
- » Implement immediately thereafter – Q4 2009
- » Demand new Regulatory Reports by Q1 2010.

Firms must act now; urgent solution engineering is required.

Clients will need to re-engineer processes and systems to be able to meet demands for detailed and timely liquidity management information and for reporting to the FSA. In particular, firms will need work flow automation to deliver management information and production quality reports in a time frame that would be too short for manual production and too costly for partial automation of operations.

## OUR SOLUTION

Using SAP Business Objects and Bank Analyzer together with third-party specialist partners, our solution identifies source systems and required data elements. There are two main work components: first, building a data 'universe' by gathering all required information in key areas through mapping and categorisation processes to produce a translation layer, and second, producing role-based dashboards and scorecards. As displayed in the diagram, this extracts, transforms and loads data from existing systems to produce the required management and regulatory reports. Our solution:

- » Optimises funding operations by improved forecasting of future liquidity needs or surpluses
- » Supports contingent risk plans and mitigation strategies through enterprise-wide risk scenarios
- » Complies with the more stringent recent regulatory oversight requirements
- » Integrates with current systems cost efficiently
- » Is a non-intrusive deployment, so there is no disruption to existing applications.

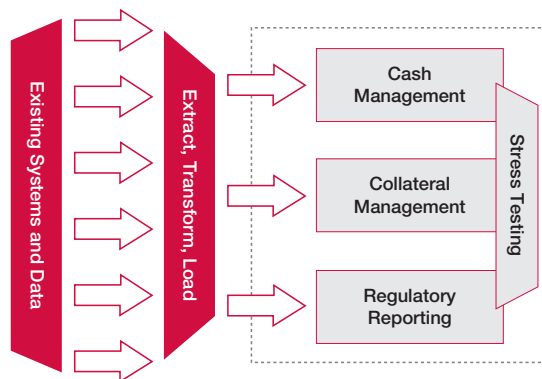
## OUR APPROACH

We advise clients to be pragmatic, working to produce the newly-defined FSA liquidity reports as a 'must do' first step. In identifying existing sources of data, firms must pay particular attention to source system data quality.

Building the data feeds required for the regulatory reports and management information to drive Individual Liquidity Assessments is a critical step in meeting the new requirements. Atos Origin's Systems Integration specialists offer the skills and experience using SAP tools to produce real value for clients.



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## NEXT STEPS

If you are interested in a Bank Liquidity Management solution, please email [uk\\_sap\\_practice@atosorigin.com](mailto:uk_sap_practice@atosorigin.com) or visit [www.atosorigin.co.uk](http://www.atosorigin.co.uk)